



DEPARTMENT OF EDUCATION

NOTICE OF PROPOSED INFORMATION COLLECTION REQUESTS

AGENCY: Department of Education (ED)

ACTION: Notice of Proposed Information Collection Requests

SUMMARY: The Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management, invites comments on the proposed information collection requests as required by the Paperwork Reduction Act of 1995.

DATES: An emergency review has been requested in accordance with the Act (44 U.S.C. Chapter 3507 (j)), since public harm is reasonably likely to result if normal clearance procedures are followed. Approval by the Office of Management and Budget (OMB) has been requested by December 9, 2011. A regular clearance process is also beginning. Interested persons are invited to submit comments on or before [insert the 60th day after publication of this notice].

ADDRESSES: Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Education Desk Officer, Office of Management and Budget, 725 17<sup>th</sup> Street, N.W., Room 10222, New Executive Office Building, Washington, D.C. 20503, be faxed to (202) 395-5806 or emailed to [oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov) with a cc: to [ICDocketMgr@ed.gov](mailto:ICDocketMgr@ed.gov).

SUPPLEMENTARY INFORMATION: Section 3506 of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires that the Director of OMB provide interested Federal agencies and the public an early opportunity to comment on information collection requests. The Office of Management and Budget (OMB) may amend or waive the requirement for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations. The Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management, publishes this notice containing proposed information collection requests at the beginning of the Departmental review of the information collection. Each proposed information collection, grouped by office, contains the following: (1) Type of review requested, e.g., new, revision, extension, existing or reinstatement; (2) Title; (3) Summary of the collection; (4) Description of the need for, and proposed use of, the information; (5) Respondents and frequency of collection; and (6) Reporting and/or Recordkeeping burden. ED invites public comment.

The Department of Education is especially interested in public comment addressing the following issues: (1) is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and

clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on respondents, including through the use of information technology.

Dated: November 22, 2011

Darrin A. King, Director  
Information Collection Clearance Division  
Privacy, Information and Records Management Services  
Office of Management

Federal Student Aid

Type of Review: NEW

Title: Loan Verification Certificate for Special Direct Consolidation Loans

OMB #: Pending

Abstract: This Loan Verification Certificate (LVC) will serve as the means by which the U.S. Department of Education (the Department) collects certain information from commercial holders of Federal Family Education Loan (FFEL) Program loans that a borrower wishes to consolidate into the William D. Ford Federal Direct Loan (Direct Loan) Program under a special initiative announced by the White House in an October 25, 2011 fact sheet titled “Help Americans Manage Student Loan Debt.” Loans made under this initiative are known as Special Direct Consolidation Loans. The information collected on the LVC includes the amount needed to pay off the loans that the borrower wants to consolidate and other information required by the Department to make and service a Special Direct Consolidation Loan.

The purpose of the special consolidation initiative is to encourage borrowers who have both commercially-held FFEL Program loans and other loans that are held by the Department (either Direct Loan Program loans or FFEL Program loans previously sold to the Department by a FFEL Program lender) to consolidate their commercially-held FFEL Program loans into the Direct Loan Program. Currently, these borrowers have at least two loan servicers and are required to make at least two separate monthly payments on their federal education loans. This makes repayment more difficult and increases the likelihood of a borrower becoming delinquent or going into default. For a borrower who has both commercially-held FFEL Program loans and Department-held loans, consolidation of the commercially-held loans into the Direct Loan Program will simplify repayment by allowing the borrower to make a single monthly loan payment to one entity (a federal loan servicer under contract to the Department), thereby reducing the likelihood of delinquency or default. As an incentive for borrowers to consolidate under the special initiative, the Department is offering reduced interest rates on Special Direct Consolidation Loans.

Additional Information: The Department is requesting emergency clearance of the Special direct Consolidation Loan LVC because the regular clearance process would prevent the Department from making Special Direct Consolidation Loans by the announced implementation date. Further, because the statutory authority under which the Department is providing the incentives will end on June 30, 2012, the use of normal clearance procedures would significantly shorten the already limited period during which Special Direct Consolidation Loans can be offered, with the result that fewer borrowers would be able to benefit from the reduced interest rates offered as part of the special initiative.

Reporting and Recordkeeping Hour Burden:

Responses: 62,633

Burden Hours: 1,565,825

Copies of the proposed information collection request may be accessed from <http://edicsweb.ed.gov>, by selecting the “Browse Pending Collections” link and by clicking on link number 4757. When you access the information collection, click on “Download Attachments “ to view. Written requests for information should be addressed to U.S. Department of Education, 400 Maryland Avenue, SW, LBJ, Washington, D.C. 20202-4537. Requests may also be electronically

mailed to the Internet address [ICDocketMgr@ed.gov](mailto:ICDocketMgr@ed.gov) or faxed to 202-401-0920. **Please specify the complete title of the information collection when making your request.**

Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

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